



City of South Lake Tahoe

"making a positive difference now"

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SEP 29 2005

DIV. OF HOUSING
POLICY DEVELOPMENT HCD

September 26, 2005

Department of Housing and Community Development
P.O. Box 952053
Sacramento, California 94252

State Clearinghouse and Planning Unit
P.O. Box 3044
Sacramento, CA 95812-3044

RE: City of South Lake Tahoe Annual Progress Report on the Implementation of the General Plan, fiscal year 2004/2005

To whom it may concern:

This General Plan progress report is being forwarded for your consideration consistent with the requirements of Government Code Section 65400(b)(1).

Thank you for the opportunity to provide you this information. If you have any questions, I may be reached at 530/542-6021.

Sincerely,

LISA O'DALY
Associate Planner



City of South Lake Tahoe

"making a positive difference now"

TRANSMITTAL TO THE CITY COUNCIL

TO: Teri Jamin, Community Development Director
FR: Lisa O'Daly, Associate Planner
RE: City of South Lake Tahoe General Plan Annual Progress Report for FY 2004/2005
DT: September 26, 2005

STATUS:

Filed and forwarded to the State (HCD and State Clearinghouse) and City Planning Commission

ISSUE and DISCUSSION:

Background

Government Code Section 65400 (b)(1) mandates that all cities and counties submit to their legislative bodies an annual report on the status of the general plan and progress in its implementation. The intent of this statute is to ensure that the general plan directs all land use decisions and remains an effective guide for future development. Additionally, it requires the city to document its progress in meeting its share of regional housing needs pursuant to Section 65584 and it includes information concerning local efforts to remove governmental constraints to the maintenance, improvement and development of housing pursuant to Section 65583 (c) (3). This report is also required to be forwarded onto the State's Housing and Community Development Department (HCD) and to the State Clearinghouse.

Discussion

The City's General Plan was adopted on April 13, 1999. Its Recreation Element was amended on July 2, 2002 and its Housing Element updated on September 16, 2003 (Resolution No. 2003-68). The latter element was deemed compliant with State law by the Department Housing and Community Development (HCD) on December 23, 2003. (Next revision due June 20, 2009.) The following information is provided for the City of South Lake Tahoe for the period (7/1/04-6/30/05):

A. Status of the General Plan.

No moratoria or emergency ordinances were passed during the reporting period.

1. General Plan Amendments

No General Plan amendments were adopted during the reporting period.

2. Plan Area Statement (PAS) Amendments

No Plan Area Statement amendments were adopted during the reporting period.

3. Community Plan Amendments

No Community Plan amendments were adopted during the reporting period.

B. Major Planning Activities Initiated, in Progress or Completed During the Reporting Period that Supported General Plan Implementation Measures.

During the 2004/2005 fiscal year the following major planning efforts have assisted in the implementation of the General Plan:

- Adopted clarifications to the Land Use Plan for the Lake Tahoe Airport in order to better enable property owners to identify which land uses are compatible within each safety area. (November 2004)
- Tahoe Valley Community Plan Team continued their meetings in an effort to create and adopt the final community plan for the City of South Lake Tahoe.

C. Removing governmental constraints in regards to maintenance, improvement and development of affordable housing.

The following planning-related ordinance amendments were adopted that further implementation on the General Plan and remove government constraints to the maintenance, improvement and development of affordable housing:

Condominiumization of Existing Residential Development. Amendment to Section 32-20 of the South Lake Tahoe City Code adopted October 19, 2004. Ordinance No. 945. Provided new opportunities to create ownership deed restricted housing units.

Motel Conversion to Deed Restricted Affordable Housing and Bonus Unit Substitution Standards. Amendment to Section 32-33 of the South Lake Tahoe City Code adopted November 16, 2004. Ordinance No. 949. Developed the standards for deed restricted affordable housing units resulting from motel conversions and through bonus unit substitution.

Multiple Family Dwelling Inspection and Maintenance Program. Enactment of Chapter 14A of the South Lake Tahoe City Code adopted November 16, 2004. Ordinance No. 948. Created the multifamily inspection program and funding mechanism for the same.

C. Status of Meeting the City's Share of the Regional Housing Needs.

The City's fair share housing objectives, provided to the City by SACOG, from 2001 through 2008 are broken down as follows:

	<u>New Construction</u> <u>Objective</u>	<u>Rehabilitation</u> <u>Objective</u>	<u>Total</u> <u>Approved</u> <u>Through</u> <u>Reporting</u> <u>period</u>
Very low-Income	28	--	18
Low-Income	36	40	92

Moderate-Income	30	10	0
Above-Moderate	204	--	205

Within the Tahoe Basin, the Tahoe Regional Planning Agency (TRPA) allocates a fixed number of residential units that can be built within each local government jurisdiction, including the City of South Lake Tahoe. Population growth is guided by the land use limitations set forth in their Regional Plan. These limitations were created to ensure compliance with the Environmental Threshold Carrying Capacities for the Lake Tahoe Basin and to prevent further environmental degradation of this special environment.

TRPA issued the City the following number of allocations, by year, during the current reporting period, 2001 – 2008:

	<u>Single Family</u>	<u>Multi-Family</u>	<u>(MF to SF, Condo)</u>
January 2001	23	12	(0)
January 2002	23	10	(2)
January 2003	23	11	(4)
January 2004	22	13	(0)
January 2005	17	11	(11)

The City then issued all of these allocations to homebuilders. This report presumes that all of the new housing units created through the allocation process will fall into the “**Above Moderate**” housing category. This assumption is being made even though the City Council has further restricted these allocations to require 30% of them to be used annually for creation of multiple family housing (two or more units) with the intent to increase our rental housing stock. Increasingly, these units are becoming for-sale condominiums

In addition to the annual allocation from TRPA, more new “above moderate” units were created through allocations obtained by builders on the private market (through either retirements of sensitive lots or from transferred Existing Residential Units of Use).

	<u>Single Family</u>
2002	0 units
2003	4 units
2004	12 units
2005	18 units

The City also has made progress towards its fair share obligation to provide for affordable (**Low- and Very Low-Income**) housing units. Affordable housing units have been generated through new construction, rehabilitation of previously existing market rate housing through the City’s Housing Rehabilitation Program, first time homebuyer assistance through the City’s First Time Homebuyer’s

Program and conversion of illegal dwelling units to permanent affordable housing. These housing units support the accomplishment of the Housing Element's (HE's) Programs 9, 16, 19, 28.

New Units Approved for Creation through Bonus Unit Assignment (Perpetual Deed Restrictions for Affordable Units) Based Upon Date Issuance of Planning Design Review:

June 2001 – June 2002	None
June 2002 - June 2003	18 Units (Sky Forest Acres (<i>formerly Emerald Bay Estates</i>), 14 one-bedroom and 4 two-bedroom units for people with disabilities, all Very Low-Income)
June 2003 – June 2004	26 Units (Evergreen Apartments, 24 two-bedroom and two three-bedroom units and Marjorie Street, a one bedroom unit – all low-income)
June 2004 – June 2005	19 Units (Sierra Recovery Center Motel Conversion to deed restricted low-income housing; 7 multi-person style units [x 2.5 persons per unit] plus Manager's Quarters)

Of the above new units, the Evergreen Apartments (rental units) acknowledged its Planning Design Review and pulled its building permits in 2005, initiating construction of 24 two-bedroom and two three bedroom low-income rental units.

Sky Forest Acres acknowledged their Planning Design review and met all planning conditions of approval in spring of 2005 and immediately submitted to the Building Division for review; however, since they are still in the process of trying to obtain additional gap funding for the project, they elected not to proceed with pulling the needed Building permits during the 2005 building season.

Finally, Sierra Recovery Center received approval to convert an existing motel into a mixed used (social services/residential care) facility. The residential portion of the facility will be deed restricted as low-income housing. The planning permit has not yet been acknowledged by the applicant and building permits haven't been pulled.

Rehabilitation of Previously-Existing Market Rate Housing Based Upon Escrow Dates of the Loans or Date of Acceptance of the Grant:

June 2001 – June 2002	8 Units (all SFD's)
June 2002 - June 2003	5 Units (all SFD's)
June 2003 – June 2004	3 Units (all SFD's)
June 2004 – June 2005	2 Units (1 SFD, 1 mobilehome)

First Time Homebuyer Assistance Based Upon Escrow Dates of the Loans:

June 2001 – June 2002	11 Units
June 2002 - June 2003	6 Units
June 2003 – June 2004	6 Units
June 2004 – June 2005	1 Unit (purchased for \$231,000, a price well under the \$370,534 homeownership sales price limit cap for El Dorado County for 2005)

Conversion of Illegally-Created Housing Units to Deed Restricted Affordable Housing Based upon Date Deed Restriction is recorded:

June 2001 – June 2002	1 Unit
June 2002 - June 2003	0 Units
June 2003 – June 2004	2 Units
June 2003 – June 2004	6 Units
June 2004 – June 2005	1 Unit

No **Moderate-Income** housing units have been created to date.

D. Interagency Coordination Efforts.

- Worked with the TRPA, through the Local Government Committee, to continue to create amendments to their Code of Ordinances to provide additional Low- and Moderate-Income Housing opportunities in the Tahoe Basin. .

FISCAL IMPACT:

Submittal of this report is required in order to qualify for the Workforce Housing Incentive Grant (Reward) Program. Based upon this report (specifically the Evergreen Apartments project implementation), it is anticipated that the city will be eligible for \$64,800 in grant funding this next grant cycle based upon:

\$1,500 per bedroom for each unit affordable to very low-income households
\$1,000 per bedroom for each unit affordable to low-income households
Plus...Eligible for a RHNA Bonus of \$250/unit for very low-income and \$200/unit for low-income housing.

Approved:



By: Teri Jamin, Community Development Department

Cc: Lori Marino, Grants Coordinator
Patrick Conway, Housing Coordinator



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